



DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-888]

Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea: Final Results and Partial Recission of Countervailing Duty Administrative Review; 2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that POSCO and certain other producers/exporters of certain carbon and alloy steel cut-to-length plate (CTL plate) from the Republic of Korea (Korea) received *de minimis* net countervailable subsidies during the period of review (POR), January 1, 2019, through December 31, 2019.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Faris Montgomery or George Ayache, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-1537 or (202) 482-2623.

SUPPLEMENTARY INFORMATION:

Background

On August 5, 2021, Commerce published the *Preliminary Results* of this review.¹ On November 2, 2021, Commerce extended the deadline for the final results of this review to no later than February 1, 2022.² Subsequently, on December 2, 2021, Commerce issued its post-

¹ See *Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea: Preliminary Results of Countervailing Duty Administrative Review, and Intent to Rescind Review, in Part; 2019*, 86 FR 42788 (August 5, 2021) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, “Extension of Deadline for Final Results,” dated November 2, 2021.

preliminary analysis.³ For a complete description of the events that followed the *Preliminary Results*, see the Issues and Decision Memorandum.⁴

Scope of the Order⁵

The merchandise covered by the *Order* is CTL plate. For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in interested parties' briefs are addressed in the Issues and Decision Memorandum. A list of the issues addressed is attached to this notice at Appendix I. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Change Since the *Preliminary Results*

Based on our analysis of the case and rebuttal briefs and the evidence on the record, we made one change from the *Preliminary Results* and post-preliminary analysis. This change is explained in the Issues and Decision Memorandum.

Partial Rescission of Administrative Review

As noted in the *Preliminary Results*, Commerce timely received a no-shipment certification from Hyundai Steel Company (Hyundai). We inquired with U.S. Customs and Border Protection (CBP) whether Hyundai had shipped merchandise to the United States during the POR, and CBP provided no evidence to contradict the claims of no shipment made by

³ See Memorandum, "Post-Preliminary Analysis of the Countervailing Duty Administrative Review of Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea," dated December 2, 2021 (Post-Preliminary Analysis Memorandum).

⁴ See Memorandum, "Issues and Decision Memorandum for the Final Results of Countervailing Duty Administrative Review: Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea; 2019," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁵ See *Certain Carbon and Alloy Steel Cut-to-Length Plate from the Republic of Korea: Countervailing Duty Order*, 82 FR 24103 (May 25, 2017) (*Order*).

Hyundai. Accordingly, in the *Preliminary Results*, Commerce stated its intention to rescind the review with respect to Hyundai in the final results. No party commented on this aspect of the *Preliminary Results*. Because there is no evidence on the record to indicate that Hyundai had shipments of subject merchandise to the United States during the POR, we are rescinding the administrative review of Hyundai, pursuant to 19 CFR 351.213(d)(3).⁶

Companies Not Selected for Individual Review

The statute and Commerce's regulations do not directly address the establishment of rates to be applied to companies not selected for individual examination where Commerce limits in examination in an administrative review pursuant to section 777(A)(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation. We also note that section 777A(e)(2) of the Act provides that "the individual countervailable subsidy rates determined under subparagraph (A) shall be used to determine the all-others rate under section 705(c)(5) {of the Act}." Section 705(c)(5)(A)(i) of the Act states that, in general, for companies not investigated, we will determine an all-others rate by using the weighted-average countervailable subsidy rates established for exporters and producers individually investigated, excluding zero and *de minimis* rates or any rates based solely on the facts available. Additionally, section 705(c)(5)(A)(ii) provides that when the countervailable subsidy rates established for all exporters and producers individually investigated are zero or *de minimis* rates, or based solely on facts available, Commerce may use any reasonable method to establish a rate for the companies not individually investigated, including averaging the weighted-average countervailable subsidy rates determined for the exporters and producers individually investigated.

In the final results of this review, we calculated a *de minimis* net countervailable subsidy rate for POSCO, the sole mandatory respondent. As a result, for the reasons discussed in the

⁶ See Issues and Decision Memorandum for complete discussion.

Issues and Decision Memorandum, we have determined that it is appropriate to assign to the companies subject to the review, but not selected for individual examination, the *de minimis* net countervailable subsidy rate calculated for POSCO in this review. For a list of the 40 companies for which a review was requested and not rescinded, and which were not selected as mandatory respondents or found to be cross-owned with a mandatory respondent, *see* Appendix II to this notice.

Final Results of Administrative Review

In accordance with 19 CFR 351.221(b)(5), we calculated an individual net countervailable subsidy rate for POSCO. Commerce determines that, during the POR, the net countervailable subsidy rates for the producers/exporters under review are as follows:

Company	Subsidy Rate (percent <i>ad valorem</i>)
POSCO ⁷	0.42 (<i>de minimis</i>)
Non-Selected Companies Under Review ⁸	0.42 (<i>de minimis</i>)

Disclosure

Commerce intends to disclose the calculations performed for these final results of review within five days of the date of publication of this notice in the *Federal Register*.⁹

Assessment Rate

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory

⁷ As discussed in the *Preliminary Results*, Commerce found the following companies to be cross-owned with POSCO: Pohang Scrap Recycling Distribution Center Co. Ltd.; POSCO Chemical; POSCO M-Tech; POSCO Nippon Steel RHF Joint Venture Co., Ltd.; and POSCO Terminal. No party commented on Commerce's preliminary cross-ownership determination and there is no information on the record which warrants reconsideration of this determination. Therefore, for these final results, Commerce continues to find the above-referenced companies are cross-owned with POSCO. Accordingly, POSCO's subsidy rate applies to each of its cross-owned companies.

⁸ *See* Appendix II.

⁹ *See* 19 CFR 351.224(b).

injunction has expired (*i.e.*, within 90 days of publication). Because we have calculated a *de minimis* countervailable subsidy rate for the companies under review, we will instruct CBP to liquidate shipments of subject merchandise produced and/or exported by the companies listed above, entered, or withdrawn from warehouse for consumption, from January 1, 2019, through December 31, 2019, without regard to countervailing duties in accordance with 19 CFR 351.212(b)(2) and 19 CFR 351.106(c). For the company for which this review is rescinded, countervailing duties will be assessed at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2019, through December 31, 2019.

Cash Deposit Rates

In accordance with section 751(a)(2)(C) of the Act, Commerce intends to instruct CBP to continue to suspend liquidation but not to collect cash deposits of estimated countervailing duties on shipments of subject merchandise by the companies under review entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms subject to the *Order*, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific rate or the all-others rate (4.31 percent), as appropriate.¹⁰ These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable

¹⁰ See *Order*, 82 FR at 24104.

violation.

Notice to Interested Parties

We are issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(5).

Dated: January 31, 2022.

Lisa W. Wang,

Assistant Secretary

for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Partial Rescission of Administrative Review
- IV. Scope of the *Order*
- V. Rate for Non-Examined Companies
- VI. Subsidies Valuation Information
- VII. Analysis of Programs
- VIII. Discussion of Comments
 - Comment 1: Whether Electricity Is Subsidized by the Government of Korea
 - Comment 2: Whether Commerce Should Modify the Methodology for Attributing POSCO International's Subsidies to POSCO
 - Comment 3: Whether the Korea Emissions Trading System (K-ETS) Is Countervailable
 - Comment 4: Whether Commerce Should Modify the Benchmark Used in the Electricity for More Than Adequate Remuneration (MTAR) Program
 - Comment 5: Whether Commerce Should Exclude Quota Tariff Import Duty Exemptions Received on Certain Items Used to Produce Non-Subject Merchandise
- IX. Recommendation

Appendix II

Non-Selected Companies Under Review

1. BDP International
2. Blue Track Equipment
3. Boxco
4. Bukook Steel Co., Ltd.
5. Buma CE Co., Ltd.
6. China Chengdu International Techno-Economic Cooperation Co., Ltd.
7. Daehan I.M. Co., Ltd.
8. Daehan Tex Co., Ltd.
9. Daelim Industrial Co., Ltd.
10. Daesam Industrial Co., Ltd.
11. Daesin Lighting Co., Ltd.
12. Daewoo International Corp.
13. Dong Yang Steel Pipe
14. Dongbu Steel Co., Ltd.
15. Dongkuk Industries Co., Ltd.
16. Dongkuk Steel Mill Co., Ltd.
17. EAE Automotive Equipment
18. EEW KHPC Co., Ltd.
19. Eplus Expo Inc.
20. GS Global Corp
21. Haem Co., Ltd.
22. Han Young Industries
23. Hyosung Corp.
24. Jinmyung Fricttech Co., Ltd.
25. Khana Marine Ltd.
26. Kindus Inc.
27. Korean Iron and Steel Co., Ltd.
28. Kyoungil Precision Co., Ltd.
29. Menics
30. Qian'an Rentai Metal Products Co., Ltd.
31. Samsun C&T Corp.
32. Shinko
33. Shipping Imperial Co., Ltd.
34. Sinchang Eng Co., Ltd.
35. SK Networks Co., Ltd.
36. SNP Ltd.
37. Steel N People Ltd.
38. Summit Industry
39. Sungjin Co., Ltd.
40. Young Sun Steel

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